



Disregards

NSLP 2016-02

August 2016

7 CFR 210.19 (d) In conducting management evaluations, reviews, or audits in a fiscal year, the State agency, FNS, or OIG may disregard an overpayment if the overpayment does not exceed \$600. A State agency may establish, through State law, regulation or procedure, an alternate disregard threshold that does not exceed \$600. This disregard may be made once per management evaluation, review, or audit per Program within a fiscal year. However, no overpayment is to be disregarded where this is substantial evidence of violations of criminal law or civil fraud statutes.

Procedure for Disregard

The State agency will disregard all over claims that do not exceed \$600 per program in a federal fiscal year. This threshold applies to each school's program including, but not limited to, National School Lunch Program, School Breakfast Program, Seamless Summer Option, Fresh Fruit and Vegetable Program, After School Snack Program and Special Milk Program. Reviews conducted by the State agency staff will result in findings and corrective action.

State agency staff will complete the entire review and provide documentation of all findings, including the disallowances to support the potential or actual disregard amount in detail, and will retain for three years plus the current year. State agency staff will notify the district of the results of the review via written notification including the disregard if applicable.

Approved Date:

8/25/16

Director's Signature:

Deana Jackett